

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001**

**EXPERIMENTAL RATE AND SERVICE CHANGES
TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT
WITH CAPITAL ONE SERVICES, INC.**

Docket No. MC2002-2

**AMERICAN POSTAL WORKERS UNION, AFL-CIO
INTERROGATORIES TO OFFICE OF THE CONSUMER ADVOCATE
WITNESS J. EDWARD SMITH
(APWU/OCA-T1-1-4)
(January 3, 2003)**

Pursuant to Rules 25 through 28 of the Rules of Practice of the Postal Rate Commission, the American Postal Workers Union, AFL-CIO ("APWU") hereby submits interrogatories and requests for production of documents to Witness J. Edward Smith.

Respectfully submitted,

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CERTIFICATION

I hereby certify that I have this date served the following document in accordance with the rules of practice.

Susan L. Catler
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APWU/OCA-T1-1. Did you test various exogenous explanatory drivers in your equations? If so which ones and what were the results?

APWU/OCA-T1-2. Did you use Capital One's Standard mail solicitation volume in any of your regressions? If so, what were the results? If not, why not?

APWU/OCA-T1-3. You state on page 14 of your testimony that various dummy variables were considered for improvement of the equation for customer mail and several were found to be statistically significant. Which dummy variables were found to be statistically significant? Were dummy variables tested in the solicitation mail equations? If so, which ones, and were any of those dummy variables found to be statistically significant?

APWU/OCA-T1-4. You state on page 19 of your testimony that the extrapolation of the previous year's experience to the current projected year may be the least bad alternative to determining a threshold volume. Does this mean that you believe only two years of volume data are required to make an assessment of any company's trend volume? Is so, why? If not, how many years of volume data should be provided, in your opinion?